(b) if so, the reasons therefor;

(c) whether his Ministry has taken up this matter with the Ministry of Finance; and

(d) if so, the reaction of Ministry of Finance thereto?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHAVIR PRASAD): (a) to (d) The Ministry of Micro, Small and Medium Enterprises (MSME) has been receiving representations from MSEs/MSE Associations highlighting, *inter alia*, the problems relating to inadequate availability of credit from banks/financial institutions. The major reasons for inadequate flow of credit to the sector include high risk perception of this sector by the banks, insistence on collaterals, etc. The Ministry of MSME has been taking up the matter relating to inadequate flow of credit to this sector with the Ministry of Finance (Department of Financial Services) as well as the Reserve Bank of India (RBI) from time to time. In recognition of the fact that delivery of credit continues to be a serious problems for MSEs, the Government has announced a 'Policy Package for Stepping up Credit to Small and Medium Enterprises (SMEs). The measures in the Policy Package to increase the quantum of credit to SMEs (including micro and small enterprises - MSEs) include: (i) public sector banks to fix their own targets for funding SMEs in order to achieve a minimum 20 per cent year-on-year growth in credit to the SME sector, (ii) public sector banks to follow a transparent rating system with cost of credit linked to the credit rating of the enterprises, (iii) commercial banks to make concerted efforts to provide credit cover on an average to at least 5 new micro, small and medium enterprises at each of their semi-urban/urban branches per year, and (iv) adoption of cluster-based approach by banks for SME financing. Further, the RBI has announced a refinance facility of Rs.7,000 crore for Small Industries Development Bank of India (SIDBI) to facilitate the flow of credit to MSMEs.

Growth rate of MSMIs

2125.SHRI S. ANBALAGAN: Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the growth rate of Micro, Small and Medium Industries (MSMIs) during the Tenth Five Year Plan period and the growth rate envisaged for Eleventh Five Year Plan period;

(b) whether sickness, lack of modern technologies, lack of prudent business skills and adequate capital are still the impediments for the growth of Micro, Small and Medium Industries in the country; and

(c) if so, the steps proposed to be taken by Government in this regard?

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHAVIR PRASAD): (a) The estimated annual growth rate of micro and small enterprises in the country during Tenth Five Year plan period is given in the table below. Since the medium enterprises were defined for the first time under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 which came into force from 2nd October 2006, information in respect of growth rates for medium enterprises

during Tenth Five Year plan is not available. An annual growth rate of 14% for micro, small and medium enterprises has been envisaged for Eleventh Five Year Plan period.

Sl.No.	Year	Growth Rates (%age)
1.	2002-03	8.68
2.	2003-04	9.64
3.	2004-05	10.88
4.	2005-06	12.32
5.	2006-07	12.60

(b) and (c) The Government is fully seized of the problems, issues and constraints being faced by micro and small enterprises. The programmes/schemes of the Ministry of MSME are primarily meant for increasing the productivity and share of MSE sector in the total manufacturing output and to enhance their competitiveness. Some of the initiatives taken recently for the promotion and development of MSEs are listed below:

(i) Policy Package for Stepping up Credit to Small and Medium Enterprises with the objective to double the credit flow to this sector in a period of 5 years;

(ii) Enactment of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to facilitate promotion and development of MSMEs and enhancement of their competitiveness;

(iii) According priority to the Cluster-based approach for holistic and integrated development of the MSE sector;

(iv) Initiating action on the National Manufacturing Competitiveness Programme (NMCP) to address the technology, marketing and skill upgradation needs of the MSME sector; and

(v) Implementation of a Package for Promotion of MSEs which comprises of the proposals/schemes having direct impact on the promotion and development of the MSEs.

Delay in track expansion plan

2126. SHRI B. K. HARIPRASAD: Will the Minister of RAILWAYS be pleased to state:

(a) whether railways' track expansion plans are getting delayed due to shortage in the supply of concrete sleepers;

(b) whether the production of sleepers fell from 5.40 lakhs in April 2008 to just 48,000 in July 2008; and

(c) if so, whether the vendors supplying the sleepers are on the verge of closing their units?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU): (a) Reduced sleeper availability during June 2008 to August 2008 has affected the progress of targeted projects/works to a certain extent. However, other factors like unprecedented hike in steel prices has also adversely contributed towards the progress of work during the current year.